Request No. DTE 2-30:

Refer to Exhibit FGE-MHC-1 (Electric) at 22. Please provide the estimated savings that the Company received by moving the previous transformer from Princeton Road Substation to the West Townsend Substation. Provide all supporting workpapers, calculations, assumptions, etc.

Response:
Please refer to DTE 2-25 for a copy of the study titled "Sawyer Passway Substation, Final Recommendation, Acceptance or Cancellation of Transformer Deliveries", dated 8/11/00. This study included a review of substation capacity issues at substations around the FG&E system, including Townsend and West Townsend. Economic analyses, including all supporting workpapers, calculations, and assumptions, are detailed in that study.

Option 2 of the study included cost estimates to purchase and install a new 7.5/10.5 MVA for West Townsend substation. These costs were estimated as follows:

Purchase new 7.5/10.5 MVA Transformer	$250,000
Installation and Testing	+ $ 20,000
Total	$270,000

Option 7 of the study included cost estimates to move a 7.5/10.5 MVA transformer from Princeton Road substation to West Townsend substation. These costs were estimated as follows:

Move 7.5/10.5 to West Townsend	$ 20,000
Protection and Control Modifications	$ 10,000
Installation and Testing	+ $ 20,000
Total	$ 50,000

Both options recommended relocating the West Townsend 3.75/5.25 MVA transformer to Townsend. Since the West Townsend transformer failed prior to the move, that cost has been removed from this response. Load will be transferred from Townsend to West Townsend via circuit ties to alleviate capacity constraints at Townsend.

In summary:

Purchase and Install New West Townsend Transformer	$270,000
Relocate Princeton Rd. Transformer to W. Townsend	- $ 50,000
Estimated Savings	**$220,000**

Person Responsible: Mark H. Collin